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May 19, 2000

CERTIFIED RETURN RECEIPT Z 230 748 132

Mr. Lee Brown Magnesium Corporation of America 238 North 2200 West Salt Lake City, Utah 84116

Re: Request for Update to the Large Mine Operation Notice of Intention, Magnesium Corporation of America (MagCorp), Knolls Project, M/045/022, Tooele County, Utah

Dear Mr. Brown:

Thank you and your staff for accommodating our site inspection of April 20, 2000. As a result of that inspection the Division has become aware of some changes in the mining operations which will require an update to the approved mining and reclamation plan on file with the Division. The Division respectfully requests that MagCorp submit an update to the Knolls Project large mine operation notice of intention as allowed under Minerals Rule R647-4-102. The Division requests submission of this update within 60 days from your receipt of this letter. At a minimum this update should address or include the following:

- 1. Updated surface facilities map(s) showing the current site disturbances and current operational features. Due to the large area involved with the solar pond system, it may be most useful to provide a detailed map of the maintenance building and pumping systems at one scale, and provide a second map of the pond system at a scale more appropriate for the size of the area involved. These maps should present the current configuration of: the reservoir, fully lined magchloride pond (excavated), collection trenches within ponds, the Pond 1 to P2 Feed Pump bypass canal, the Pond 7 dike and baffle system, as well as current configurations of other operational features such as gates and dikes.
- 2. Updated written descriptions of the current operations with reference to the current features shown on the facilities map(s) requested in item one. Please describe the current path of brines through the system, management of the current pond configurations by utilizing new or existing dikes or gates.
- 3. Updated cross sections of ditches, canals or dikes which were not included in the originally approved large mine plan. Cross sections of the bypass canal, new dikes, and ditches should be provided at a minimum.

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- 4. Updated reclamation plan(s) for features which have been modified from the originally approved plan. Please describe the modification of the feature and explain the reason for the modification. The updated reclamation plan should describe specific reclamation tasks to be performed at the end of operations in order to return the land to the post-mine land use.
- 5. A description of the Stansbury facilities along with an appropriately scaled surface facilities map of the area. Please describe the operational aspect of the Stansbury facilities in relation to the Knolls facilities and the Rowley facilities.

After receiving this updated information, the Division will perform a detailed review of the reclamation surety estimate. Additional information may be requested from MagCorp at this later date to facilitate the estimate review. The current reclamation surety estimate was prepared by the Division in 1990 and was due for a five year review in 1995. The surety amount was escalated to 1995 dollars as \$110,000. If you have any questions regarding this request please do not hesitate to contact me at (801) 538-5286, or Tony Gallegos at (801) 538-5267. Thank you for your cooperation and assistance in this regard.

Sincerely,

D. Wayne Hedberg

Permit Supervisor

Minerals Reclamation Program

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Stan Perkes, BLM Will Stokes, SITLA

Edie Trimmer, Forestry Fire & Sovereign Lands

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